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From A. C. Noe

COAL PROPERTIES
and their Scientific Management

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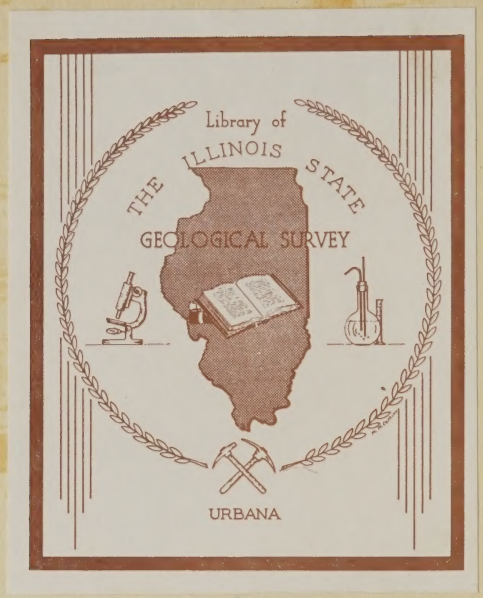
PEABODY COAL COMPANY
Chicago



ILLINOIS STATE GEOLOGICAL SURVEY
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The MANAGEMENT *of* COAL PROPERTIES

by The

PEABODY COAL COMPANY

Founded in 1883

Operating
thirty-six bituminous
mines in eleven fields
with annual capacity of
eighteen million tons.

General Offices:

332 South Michigan Avenue, Chicago

Branches:

CINCINNATI, OHIO
DEADWOOD, S. DAKOTA
KANSAS CITY, MISSOURI
MINNEAPOLIS, MINN.
OMAHA, NEBRASKA
PEORIA, ILLINOIS
PINEVILLE, KENTUCKY
SAINT LOUIS, MISSOURI
SHERIDAN, WYOMING
SPOKANE, WASHINGTON

TO those interested in coal properties or securities, the Peabody Coal Company offers its services, as hereinafter described, in the capacity of Financier, General Manager, Consulting Engineer, Construction Engineer, Sales Agent, Purchasing Agent, Auditor and Accountant.

Foreword

Efficiency Must Supplant Waste

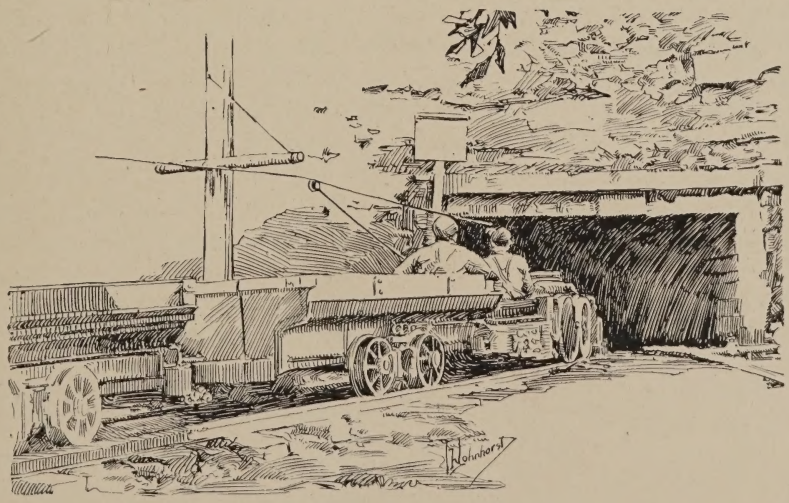
By the CHAIRMAN OF THE BOARD

The coal industry is primarily a wasting industry; not only a wasting industry but a wasteful industry,—wasteful in the manner in which the wonderful mineral resources that the Creator made have been thoughtlessly, uneconomically, unscientifically and wantonly wasted.

Coal mining is a science requiring expert knowledge. Waste must not exist if it can be prevented. Coal abandoned can never be recovered. Modern, economical, scientific methods *must* be adopted; other methods should be classed as criminal.

I believe that our organization can show the right way. During our experience of 36 years we have made and overcome almost every kind of mistake. If we, profiting by those mistakes to prevent newer and perhaps more costly ones, can be of service to you, we offer that service.

F S Peabody



Coal Investments during the Reconstruction Period

By the PRESIDENT

During the present era of disturbed industrial conditions, every one should be extremely cautious in seeing that properties in which they are interested are efficiently managed, or securities which they hold are properly safeguarded. Particularly is this true of coal properties and securities.

The urgent necessity during the war period for the greatest possible coal production brought about, and properly so, the development of new mines and the reopening of many others which in pre-war times were unprofitable.

It has been demonstrated during the period following the Armistice that former war production cannot be consumed under normal conditions. Idle days are expensive for consumer, laborer and investor, yet such idleness cannot be avoided when production capacity exceeds seasonal requirements. Under such circumstances the waste in this basic industry—upon which all other business directly or indirectly rests—is readily apparent and greatly enhances the price which the ultimate consumer must pay.

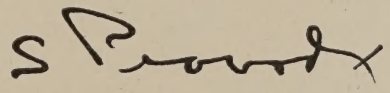
Briefly, therefore, we must face, under normal conditions, the practical industrial problem of too many producing coal mines, with the inevitable result that some cannot survive. Cost of production will be the all-important factor in determining the future of the doubtful coal operations. Some of these are handicapped with unfavorable mining conditions, poor quality, impurities which cannot be removed with reasonable care and expense, disadvantageous location as to markets and too great initial cost for the recoverable coal. Many others are in more fortunate position and merely suffer from inefficient management.

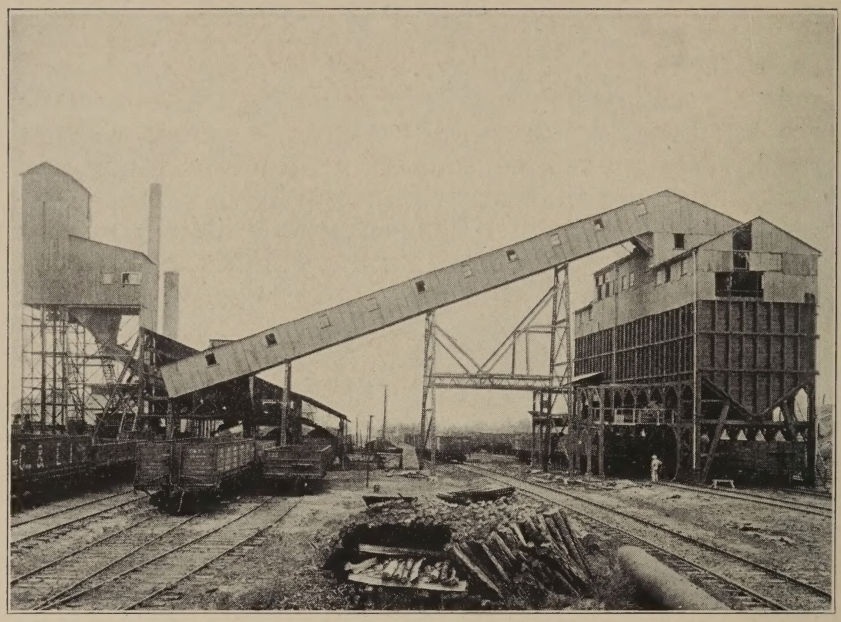
The first are hopeless. The latter valuable if properly managed.

Those who have substantial investments in the coal industry are directly interested and vitally affected to the extent of such holdings. The safety of the investment as well as earnings is largely dependent upon the management. Pains should be taken to know whether the investment will continue to yield a fair return and that depletion and depreciation requirements are properly protected. Knowledge is needed as to whether the property is worthy of further investment, or in need of improved mining methods, installation of more modern machinery, scientific development looking to future economical operation, or better preparation and distribution of the product. In other words, *does the property need more intelligent and efficient management to make the investment both safe and profitable?*

Timely investigation and thoughtful reflection have saved many an important business. Ample funds, technically trained men, systematized departmental effort coordinated under capable executive direction mean much, but judgment and advice born of knowledge acquired in the school of experience are of even greater value under such circumstances.

The Peabody Coal Company, therefore, offers its services as hereinafter suggested, with the hope that it can be of constructive assistance to those who may need advice and help. It believes that it can do so because it has successfully met many difficult coal problems during its thirty-six years of continuous growth—step by step—from a small retail yard in 1883 to an organization now operating thirty-six mines in the United States and Canada with an annual capacity of eighteen million tons. We invite your confidence. Our service is yours if you need it.



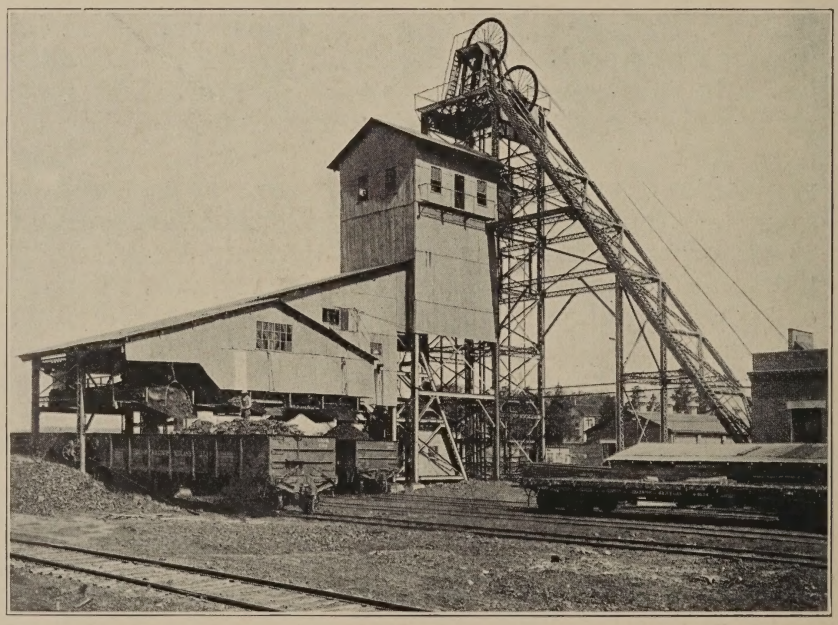


Peabody Mine No. 3

LOCATION—Marion, Williamson County, Illinois.

RAILROADS—C. B. & Q., I. C., C. & E. I., Mo. Pac.

CAPACITY—1,350,000 tons per year.



Peabody Mine No. 7

LOCATION—Kincaid, Christian County, Illinois.

RAILROADS—C. & I. M., C & A., I. C., C. & N. W., Wabash, B. & O.

CAPACITY—1,000,000 tons per year.

Peabody Coal Company Service

We act as Financier, General Manager, Consulting Engineer, Construction Engineer, Sales Agent, Purchasing Agent, Auditor and Accountant.

Financier

Coal properties which are or can be made competitive or merchantable and have the approval of our operating and sales departments, are financed for our own account or others.

We act as selling agent for banks, trust companies, bond houses and owners of coal properties. During the last few years we have financed more than thirty million dollars of coal securities.

General Manager

We operate mines owned by others for their account or the joint account of the owners and ourselves. We operate mines owned by consumers of coal, supply them with their requirements and market the remainder of the output for their account. Managing a large number of mines in different bituminous fields, it is obvious that we are able to make daily comparisons of mining conditions, cost items and sales problems which are helpful to all, both individually and collectively. An emergency seldom arises in any field which can not be immediately handled by our regular organization, with attendant saving of time and money for our clients.

Consulting Engineer

Mining	*Structural*
Mechanical	*Electrical*

We act as Consulting Engineer in active operations and make recommendations for improvements or changes to secure increased output and lower cost.

We examine coal properties, advise as to their commercial value and prepare plans for opening and developing them. We act in an examining and advisory capacity for banks, trust companies, bond houses and coal operators desiring assistance.

Our reports deal with every feature of the business from initial production to distribution and ultimate consumption, and mean something more than theory and figures.

Construction Engineer We sink or open new mines, lay out top works, design and erect mine buildings, machinery, tracks, tipples, washers, screens, coke ovens and power plants, and install water works and fire protection systems in connection therewith.

Sales Agent We advise as to markets for present or contemplated mining operations. We act as agent for the sale of coal produced by companies whose output is too small to warrant their maintaining sales offices.

Purchasing Agent We act as Fuel Agent for large consumers of coal. We purchase mine supplies, equipment and machinery for our clients, giving them the benefit of price reduction on the aggregate quantities with a large saving for mines we manage.

Auditor and Accountant We act as Treasurer and Auditor for mines we manage, set up books, cost sheets, accounting records, Auditor's reports, pay payrolls and furnish cost statements and other essential data as to the daily, weekly and monthly mining costs and results.

Fuel Supply

We enter into long term contracts with large consumers of coal at cost, and minimum percentage of profit, some of whom require the entire output of one or more mines, giving such consumers the benefit of owning the mines without investment or responsibility of management.

A good example of the advantages of such contracts may be found in the experience of the Commonwealth-Edison Company of Chicago, to whom we furnish two million tons per annum. The annual report of that company gives its contract with us credit for keeping it regularly and adequately supplied with satisfactory fuel during the most trying period which has ever confronted the coal consumer, and saving one million dollars during the year.

Peabody Mine No. 8

LOCATION—Humphrey, Christian County, Illinois.

RAILROADS—C. & I. M., C. & A., I. C., C. & N. W., Wabash, B. & O.

CAPACITY—1,000,000 tons per year.

Peabody Mine No. 5

LOCATION—Pawnee, Sangamon County, Illinois.

RAILROADS—C. & I. M., C. & A., I. C., C. & N. W., Wabash, B. & O.

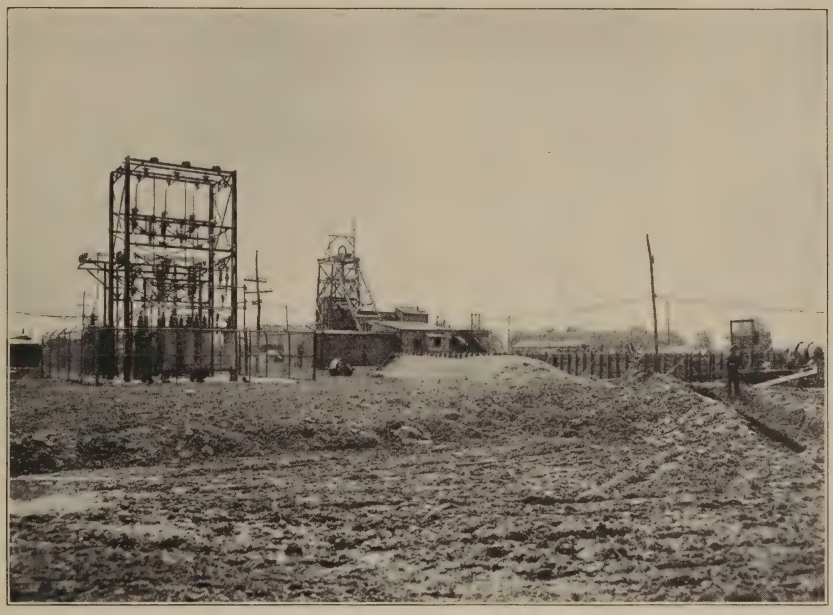
CAPACITY—500,000 tons per year.

Peabody Mine No. 6

LOCATION—Sherman, Sangamon County, Illinois.

RAILROAD—Chicago & Alton.

CAPACITY—625,000 tons per year.



Peabody Mine No. 9

LOCATION—Calloway, Christian County, Illinois.

RAILROADS—C. & I. M., C. & A., I. C., C. & N. W., Wabash, B. & O.

CAPACITY—350,000 tons per year.

(The capacity of this new mine is being steadily increased and will eventually reach 1,250,000 tons per year or more.)

By-Products Mine No. 18

LOCATION—West Frankfort, Franklin County, Illinois.

RAILROADS—C. & E. I., I. C., C. B. & Q.

CAPACITY—500,000 tons per year.

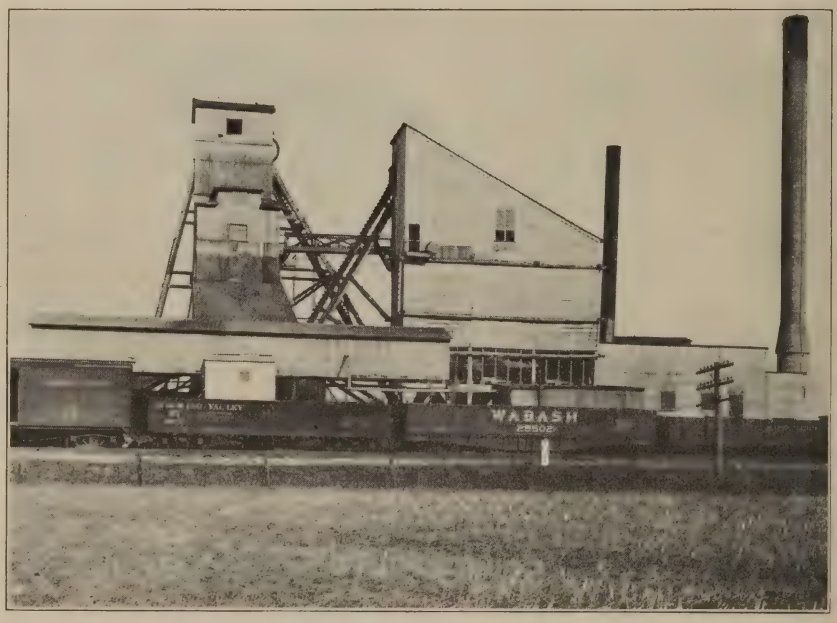
Operated for By-Products Coke Corporation, Chicago, Illinois.

By-Products Mine No. 19

LOCATION — West Frankfort, Franklin County, Illinois.

RAILROADS—C. & E. I. and I. C.
CAPACITY—500,000 tons per year.

Operated for By-Products Coke Corporation, Chicago, Illinois.



Peabody Mine No. 21

LOCATION—Stonington, Christian County, Illinois.

RAILROAD—Wabash.
CAPACITY—500,000 tons per year.

Peabody Mine No. 24

LOCATION—Westville, Vermilion County, Illinois.

RAILROADS—C. & E. I. and C. C. C. & St. L.

CAPACITY—525,000 tons per year.

Burr "C" Mine No. 25

LOCATION—Carterville, Williamson County, Illinois.

RAILROAD—Illinois Central.

CAPACITY—400,000 tons per year.

Operated for Federal Coal Company, Chicago, Illinois.

The Development *of*

Unit Number One at Eva

Designed, constructed, developed an for Black Mour

Capacity 1,25

Located on Louisv

UPPE

LOWE

In designing and building this camp care was taken to make it attractive to labor. Living quarters were provided by the erection of several hundred miners' houses. There is a well-furnished hotel and three comfortable and popular club-houses. Deep wells were drilled to insure ample pure water for drinking and fire protection. An electric lighting system is being installed throughout the camp. A fully equipped modern hospital with trained nurses and camp welfare workers has been established.

For recreation there is a dance-hall, pool and billiard tables and

BLACK MOUNTAIN

, Harlan County, Kentucky

managed by Peabody Coal Company
in Corporation.

0 tons per year

Nashville Railroad.

ALLEY

ALLEY

moving-picture theatre. There is also a well-lighted and properly ventilated school under capable teachers.

Enforced idleness at the mines, caused by lack of demand in summer and by shortage of railroad cars in winter, has always been one of the most serious problems confronting the coal industry. To reduce such idleness a storage plant is being installed which will enable the mines to operate without these interruptions. As the entire capacity output has been sold under contract for a term of twenty years, continuous operation is thereby assured with its attendant economy of production.

New Virginia Mine No. 26

LOCATION—Johnston City, Williamson County, Illinois.

RAILROADS—C. & E. I. and I. C.

CAPACITY—400,000 tons per year.

Operated for Big Muddy Fuel Company, Chicago, Illinois.

Kettle Creek Mine No. 27

LOCATION—Shelburn, Sullivan County, Indiana.

RAILROAD—C. T. H. & S. E.

CAPACITY—250,000 tons per year.

Operated for Indiana Hocking Coal Company, Shelburn, Indiana

Manufacturers Mines No. 28

LOCATION—Hellier, Pike County, Kentucky.
RAILROAD—Chesapeake & Ohio.
CAPACITY—300,000 tons per year.
Entire output made into coke in a battery of 200 Mitchell type Bee Hive ovens.

Operated for Manufacturers Coal & Coke Company, Hellier, Kentucky.

Superior Mine No. 29

LOCATION—Tahona, LaFlore County, Oklahoma.
RAILROAD—Midland Valley.
CAPACITY—150,000 tons per year.

Operated for Superior Smokeless Coal & Mining Company, Tahona, Oklahoma.

Jasper Park Mine No. 36
LOCATION—Pocahontas, Alberta, Canada

RAILROADS—C. N. and G. T. P.
CAPACITY—350,000 tons per year.

Operated for Jasper Park Collieries Company, Ltd., Duluth, Minnesota.

Spiketon Mine No. 37
LOCATION—Morristown, Pierce County, Washington.

RAILROAD—Northern Pacific.
CAPACITY—150,000 tons per year.

Operated for Pierce County Coal Company, Morristown, Washington

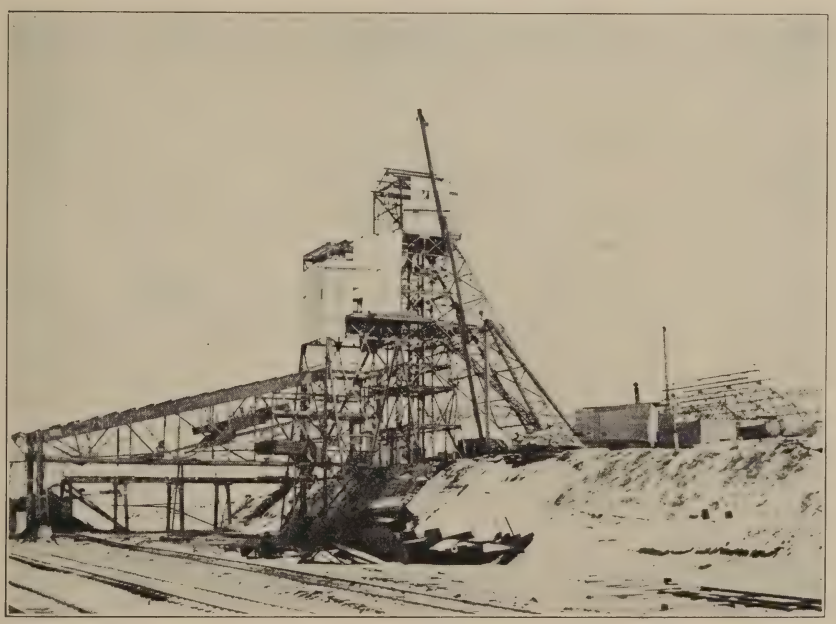
Sheridan Mine No. 40

LOCATION—Dietz, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—400,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.



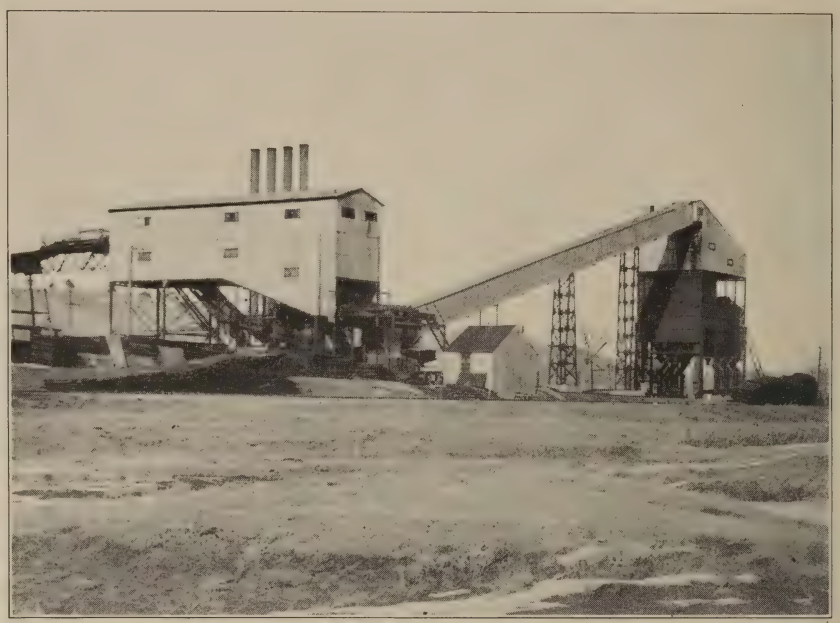
Sheridan Mine No. 41

LOCATION—Dietz, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—625,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.



Acme Mine No. 42

LOCATION—Acme, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—1,000,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.

Model Mine No. 43

LOCATION—Carneyville, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—475,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.

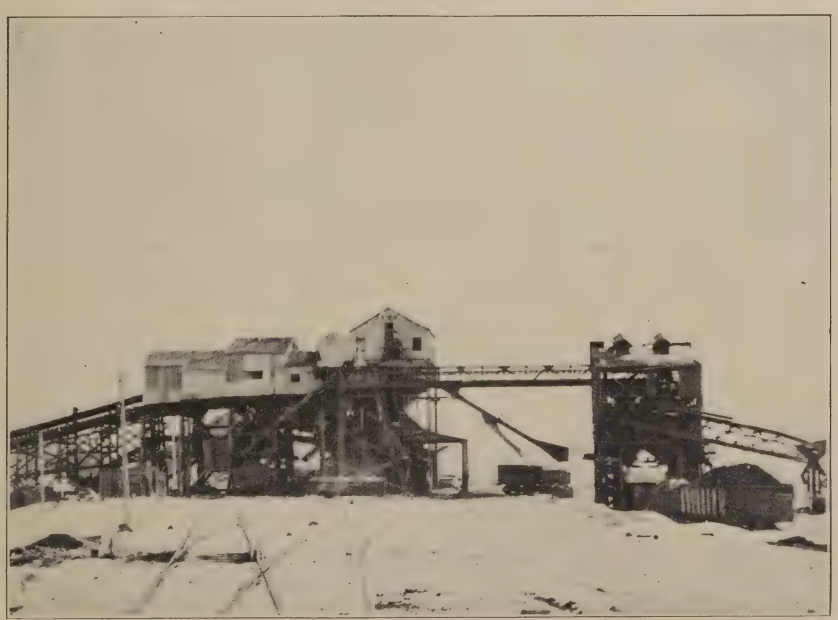
Carney Mine No. 44

LOCATION—Carneyville, Sheridan County, Wyoming

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—1,000,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.



Monarch Mine No. 45

LOCATION—Monarch, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—1,000,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.

Kooi Mine No. 46

LOCATION—Kooi, Sheridan County, Wyoming.

RAILROAD—Chicago, Burlington & Quincy.

CAPACITY—500,000 tons per year.

Operated for Sheridan-Wyoming Coal Company, Inc., Sheridan, Wyoming.

Cora Mine No. 51

LOCATION—Andrew, Sangamon County, Illinois.

RAILROADS—C. P. & St. L. and C. & N. W.

CAPACITY—325,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.

Riverton Mine No. 52

LOCATION—Riverton, Sangamon County, Illinois.

RAILROAD—Wabash.

CAPACITY—525,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.

Woodside Mine No. 53

LOCATION—Springfield, Sangamon County, Illinois.

RAILROAD—Wabash.

CAPACITY—450,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.

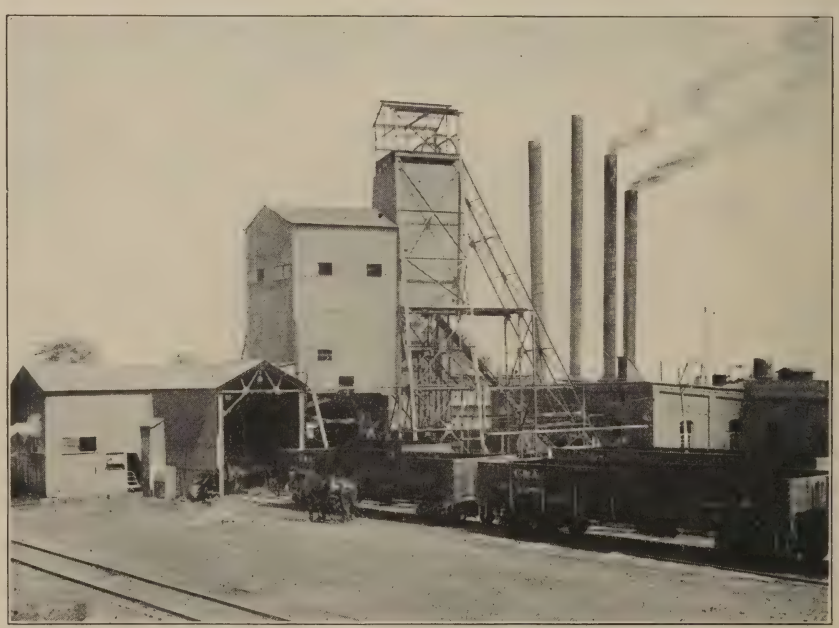
Black Diamond Mine No. 54

LOCATION—Auburn, Sangamon County, Illinois.

RAILROADS—C. & A. and I. T. S.

CAPACITY—625,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.



Klondike Mine No. 55

LOCATION—Springfield, Sangamon County, Illinois.

RAILROADS—C. & A. and Wabash.

CAPACITY—500,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.

Capital Mine No. 57

LOCATION—Springfield, Sangamon County, Illinois.

RAILROADS—Wabash, C. & A., I. C., B. & O.S.W.,I.T.S.,C.&N.W. and C.&I.W.

CAPACITY—450,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.

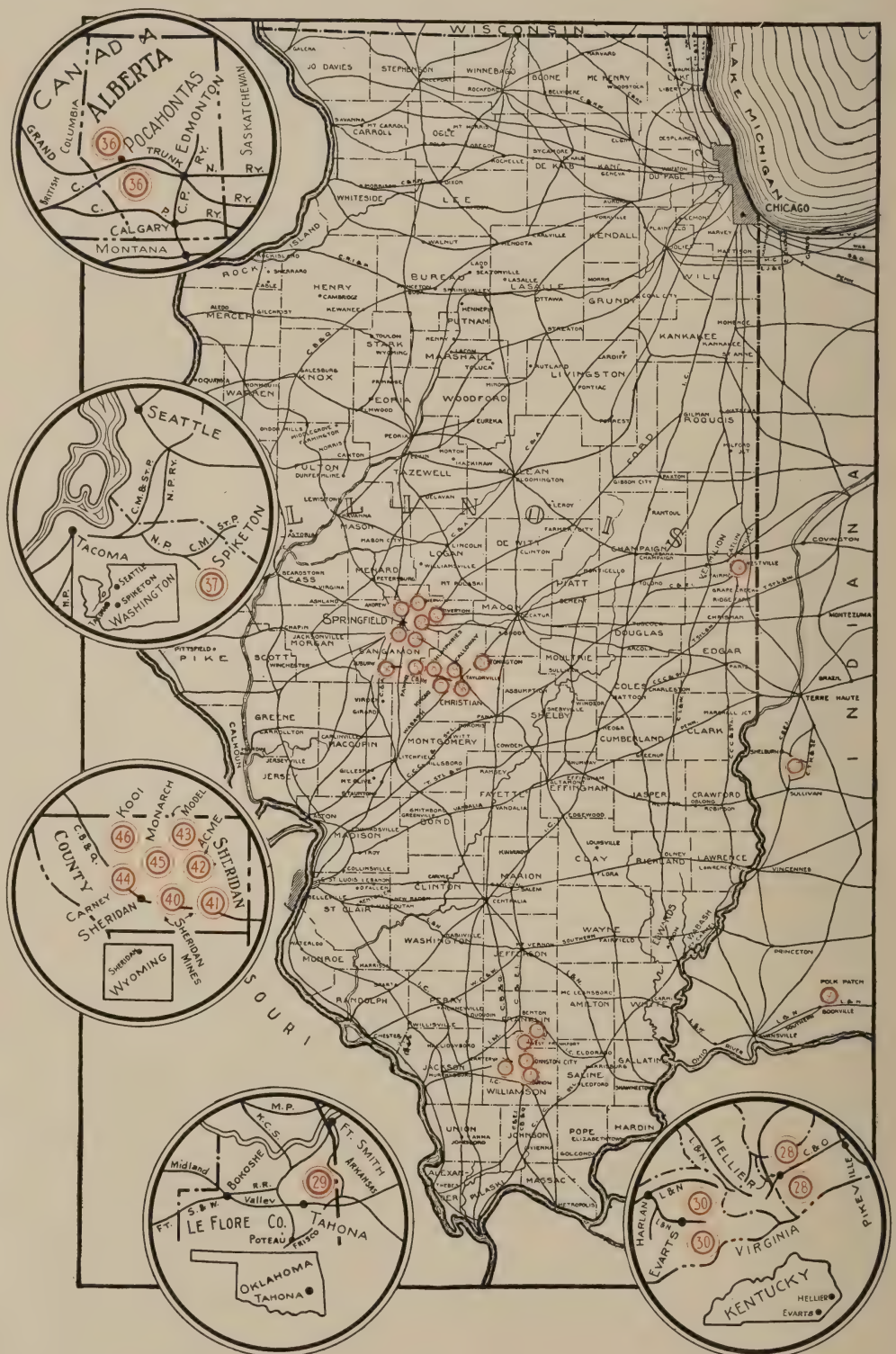
Taylorville Mine No. 58

LOCATION—Taylorville, Christian County, Illinois.

RAILROADS—C. & I. M., C. & A., I. C., C. & N. W., Wabash, B. & O.

CAPACITY—625,000 tons per year.

Operated for Springfield District Coal Mining Company, Springfield, Illinois.


WISCONSIN
LAKE MICHIGAN
CHICAGO
ILLINOIS
INDIANA
MISSOURI
CANADA
ALBERTA
POCAHONTAS
EDMONTON
SASKATCHEWAN
CALGARY
MONTANA
SEATTLE
TACOMA
SPIKETON
WASHINGTON
SPRINGFIELD
KOOI
MONARCH
ACME
SHERIDAN
COUNTY
CARNEY
SHERIDAN MINES
WYOMING
LE FLORE CO.
TAHONA
OKLAHOMA
FT. SMITH
ARKANSAS
HELLIER
PINEVILLE
HARLAN
EVARTS
VIRGINIA
KENTUCKY

Mines Operated by Peabody Coal Co.

Annual Capacity over 18,000,000 Tons

◆ ◆ ◆

		Located On
	ILLINOIS	
3.	Shellbark, Marion, Williamson Co.	C&EI-CB&Q-IC-MO PAC
5.	Victor, Pawnee, Sangamon Co.	C&IM-C&A-IC-WAB-C&NW-B&O
6.	Sherlite, Sherman, Sangamon Co.	C&A
7.	Victor, Kincaid, Christian Co.	C&IM-C&A-IC-C&NW-WAB-B&O
8.	Victor, Humphrey, Christian Co.	C&IM-C&A-IC-C&NW-WAB-B&O
9.	Victor, Calloway, Christian Co.	C&IM-C&A-IC-C&NW-WAB-B&O
18.	Peabody, West Frankfort, Franklin Co.	C&EI-IC-CB&Q
19.	Peabody, West Frankfort, Franklin Co.	C&EI-IC
21.	Stonington, Stonington, Christian Co.	WABASH
24.	Westville, Westville, Vermilion Co.	C&EI-BIG FOUR
25.	Burr, "C" Carterville, Williamson Co.	IC
26.	New Virginia, Johnston City, Williamson Co.	C&EI-IC
51.	Cora, Andrew, Sangamon County	CP&StL-C&NW
52.	Riverton, Riverton, Sangamon Co.	WABASH
53.	Woodside, Springfield, Sangamon Co.	WABASH
54.	Black Diamond, Auburn, Sangamon Co.	C&A-ITS
55.	Klondike, Springfield, Sangamon Co.	C&A-WABASH
57.	Capital, Springfield, Sangamon Co.	CI&W-B&OSW-IC-ITS-C&A-WABASH-C&NW
58.	Taylorville, Taylorville, Christian Co.	WABASH-C&IM-C&A-IC-C&NW-B&O
	INDIANA	
27.	Kettle Creek, Shelburn, Sullivan Co.	CTH&SE
50.	Polk Patch, Boonville, Warrick Co.	SOUTHERN
	KENTUCKY	
28.	Manufacturers, Hellier, Pike Co.	C&O
30.	Black Mountain, Evarts, Harlan Co.	L&N
	OKLAHOMA	
29.	Superior, Tahona, Le Flore Co.	MV
	WASHINGTON	
37.	Spiketon, Morristown, Pierce Co.	NP
	WYOMING	
40.	Sheridan, Dietz, Sheridan Co.	CB&Q
41.	Sheridan, Dietz, Sheridan Co.	CB&Q
42.	Acme, Acme, Sheridan Co.	CB&Q
43.	Model, Carneyville, Sheridan Co.	CB&Q
44.	Carney, Carneyville, Sheridan Co.	CB&Q
45.	Monarch, Monarch, Sheridan Co.	CB&Q
46.	Kooi, Kooi, Sheridan Co.	CB&Q
	CANADA	
36.	Jasper Park, Pocahontas, Alberta	CN-GTP

SOME OF OUR CLIENTS

Acme Coal Company,
Acme, Wyoming

Amalgamated Development Corp.,
Carneyville, Wyoming

Big Muddy Fuel Company,
Johnston City, Illinois

Black Mountain Corporation,
Evarts, Kentucky

By-Products Coke Corporation,
Chicago, Illinois

Central Ill. Public Service Company,
Chicago, Illinois

Chicago, Burlington & Quincy Railroad,
Chicago, Illinois

Chicago, Rock Island & Pacific Railway,
Chicago, Illinois

Commonwealth-Edison Company,
Chicago, Illinois

Consumers Company,
Chicago, Illinois

Continental & Commercial National Bank
Chicago, Illinois

Department of the Interior,
United States Government

Federal Coal Company,
Carterville, Illinois

First National Bank,
Sheridan, Wyoming

Fuel Controller for the
Dominion of Canada

Indiana Hocking Coal Company,
Shelburn, Indiana

Iowa Railway & Light Company,
Cedar Rapids, Iowa

Jasper Park Collieries Co,, Ltd., Duluth, Minn. and Pocahontas, Alberta, Canada

Kooi Coal Company, Kooi, Wyoming

Manufacturers Coal & Coke Company,
Hellier, Kentucky

Merchants Loan & Trust Company,
Chicago, Illinois

Middle West Utilities Company,
Chicago, Illinois

Monarch Coal Mining Company,
Sheridan, Wyoming

Peabody, Houghteling & Company,
Chicago, Illinois

Peoples Gas Light & Coke Company,
Chicago, Illinois

Pierce County Coal Company,
Morristown, Washington

Public Service Co. of Northern Illinois,
Chicago, Illinois

Scandanavian-American Bank,
Tacoma, Washington

Semet-Solvay Company,
Syracuse, N. Y.

Sheridan-Wyoming Coal Company,
Sheridan, Wyoming

Springfield Coal Mining Company,
Springfield, Illinois

Springfield District Coal Mining Co.,
Springfield, Illinois

Superior Smokeless Coal & Mining Co..
Tahona, Oklahoma

United States Distributing Corporation,
New York City

Harry Payne Whitney,
New York City

J. Woolley Coal Company,
Evansville, Indiana

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